

**CITY OF MORGAN HILL
SPECIAL CITY COUNCIL MEETING
MINUTES – MAY 5, 2004**

CALL TO ORDER

Mayor Kennedy called the special meeting to order at 7:10 p.m.

ROLL CALL ATTENDANCE

Present: Council Members Carr, Chang, Sellers, Tate and Mayor Kennedy

DECLARATION OF POSTING OF AGENDA

City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

PUBLIC COMMENT

Mayor Kennedy opened the floor to public comment for items not appearing on this evening's agenda.

Martin Kapetanic, on behalf of Morgan Hill Aquatics Corporation, thanked the Morgan Hill Times for publishing the brick fundraiser event. She advised the Council and the public that the deadline to order a donor brick is May 14 so that they can be installed prior to the aquatics center grand opening event. She indicated that over 100 bricks have been sold. She requested the public's support of the aquatics center.

No further comments were offered.

Note: The Council deferred action on item 1 to the conclusion of the Special/Regular City Council and Special Redevelopment Agency meeting agenda which occurred at 9:26 p.m.

City Council Action

OTHER BUSINESS:

1. VOTING DELEGATE FOR THE LEAGUE OF CALIFORNIA CITIES' SPECIAL MEETING OF MAY 13, 2004.

Mayor Kennedy indicated that he requested that this item be placed on the agenda because the League of California Cities will be meeting with the Governor's staff on a proposed agreement. He noted that the League will be taking action on the Governor's proposal on May 13, 2004 once the details have been identified. He stated that the action before the Council is to designate a voting delegate and alternate to the May 13, 2004 special meeting of the League of California Cities.

Mayor Pro Tempore Sellers stated that he met with the Monterey County League representative who presented an update of the Governor's proposal. He said that it would be great to have the Governor support the League's ballot initiative while on the other hand; the deal has to make sense to the cities in the long run. He indicated that the League and the Governor's office have been involved in negotiations and that it is hopeful that there will be a similar outcome to what was seen with the Workers Compensation and other issues where the Governor entered into negotiations and finalized resolution. However, it will not be known until the end of the week as to whether an agreement between the League and the Governor's office has been reached. He stated that the Legislative Subcommittee met via telephone yesterday in order to provide an update and to provide direction to the Council. The Legislative Subcommittee concurred that it made sense for the Mayor to be the voting delegate and that the Subcommittee was interested in doing whatever can be done to share the revenue stream in terms of property taxes. He indicated that the Governor is interested in reducing the amount that comes from the Vehicle License Fee to cities. If this occurs, there is concern as to where revenue will come from. The Subcommittee believes that the best interest for Morgan Hill is to provide additional property tax revenues and use this as leverage. He indicated that the Legislative Subcommittee can provide the Mayor with more information, if needed.

Council Member Carr said that the Governor has learned the power of the initiative process in order to get things done. He said that the Cities Association and cities like Morgan Hill should work toward changing the funding process for local governments, getting funding back to one that is related to property taxes instead of sales tax. He noted that sales taxes have driven cities into making fiscal land use decisions resulting in poor development patterns and not developing housing that is needed in California. He felt that this discussion should be undertaken with the Governor if he is willing to enter into negotiations with the League. It is his hope that this is a position that the League would be opened to taking.

Council Member Chang noted that League members will be traveling to Sacramento on May 12 and returning that evening. She did not believe that there would be many League members in Sacramento on May 13. She inquired whether a vote will be taken on May 13 and whether everyone will be invited to participate in the special meeting/vote.

Mayor Pro Tempore Sellers noted that a majority of the Council will be in Sacramento on May 13 and that the League requested one representative from each city to be a voting delegate. He indicated that each council member can provide input to the Mayor.

Action: *On a motion by Mayor Pro Tempore Sellers and seconded by Council Member Tate, the City Council unanimously (5-0) **Ratified** Mayor Kennedy's Appointment as the City's Voting Delegate and Mayor Pro Tempore Sellers as the Alternate Voting Delegate to the League of California Cities' Special Meeting of Thursday, May 13, 2004.*

Action: *On a motion by Mayor Pro Tempore Sellers, and seconded by Council Member Tate, the City Council unanimously (5-0) **Directed** the City Clerk to Complete the Voting Delegate Form and Forward said form to the League of California Cities.*

FUTURE COUNCIL-INITIATED AGENDA ITEMS

No items were identified.

ADJOURNMENT

There being no further business, Mayor Kennedy adjourned the meeting at 9:31 p.m.

MINUTES RECORDED AND PREPARED BY:

IRMA TORREZ, CITY CLERK